

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1009 - Funding Summary

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Department of Agriculture			
Salaries and wages	\$11,258,319	\$10,861,195	(\$397,124)
Operating expenses	5,772,262	5,885,262	113,000
Capital assets	12,000	12,000	
Grants	4,050,828	4,595,828	545,000
State Board of Animal Health	2,135,803	2,109,828	(25,975)
Wildlife Services	1,417,400	1,417,400	
Crop Harmonization Board	75,000	75,000	
Accrued leave payments		237,295	237,295
Total all funds	\$24,721,612	\$25,193,808	\$472,196
Less estimated income	15,209,546	15,754,591	545,045
General fund	\$9,512,066	\$9,439,217	(\$72,849)
FTE	77.00	77.00	0.00
Bill Total			
Total all funds	\$24,721,612	\$25,193,808	\$472,196
Less estimated income	15,209,546	15,754,591	545,045
General fund	\$9,512,066	\$9,439,217	(\$72,849)
FTE	77.00	77.00	0.00

House Bill No. 1009 - Department of Agriculture - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$11,258,319	(\$636,210)	\$10,622,109
Operating expenses	5,772,262		5,772,262
Capital assets	12,000		12,000
Grants	4,050,828	(80,000)	3,970,828
State Board of Animal Health	2,135,803	(25,975)	2,109,828
Wildlife Services	1,417,400		1,417,400
Crop Harmonization Board	75,000		75,000
Accrued leave payments		237,295	237,295
Total all funds	\$24,721,612	(\$504,890)	\$24,216,722
Less estimated income	15,209,546	(185,152)	15,024,394
General fund	\$9,512,066	(\$319,738)	\$9,192,328
FTE	77.00	0.00	77.00

Department 602 - Department of Agriculture - Detail of House Changes

	Corrects Executive Compensation Package¹	Adjusts State Employee Compensation and Benefits Package²	Provides Separate Line Item for Accrued Leave Payments³	Removes Centennial Farms Program Grant⁴	Total House Changes
Salaries and wages	26,212	(451,102)	(211,320)		(636,210)
Operating expenses					
Capital assets					
Grants				(80,000)	(80,000)
State Board of Animal Health			(25,975)		(25,975)
Wildlife Services					
Crop Harmonization Board					
Accrued leave payments			237,295		237,295
Total all funds	\$26,212	(\$451,102)	\$0	(\$80,000)	(\$504,890)
Less estimated income	11,533	(196,685)	0	0	(185,152)
General fund	\$14,679	(\$254,417)	\$0	(\$80,000)	(\$319,738)
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding is added due to a calculation error in the executive compensation package.

² This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

³ A portion of salaries and wages funding from the general fund (\$132,719) and from other funds (\$104,576) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

⁴ Funding included in the executive budget recommendation for a grant to the Centennial Farms program is removed.

This amendment also:

- Increases the transfer from the environment and rangeland protection fund to the minor use fund from \$200,000 to \$325,000.
- Adds a section to deposit the first \$485,000 of commercial feed license, inspection, and registration fees received under Chapter 19-13.1 in the environment and rangeland protection fund rather than the general fund.
- Provides for a Legislative Management study of the Milk Marketing Board.
- Changes the statutory salary for the Agriculture Commissioner to provide for a 3 percent annual increase rather than a 4 percent annual increase as recommended in the executive budget.

House Bill No. 1009 - Department of Agriculture - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$11,258,319	\$10,622,109	\$662,422	\$11,284,531
Operating expenses	5,772,262	5,772,262	113,000	5,885,262
Capital assets	12,000	12,000		12,000
Grants	4,050,828	3,970,828	705,000	4,675,828
State Board of Animal Health	2,135,803	2,109,828	25,975	2,135,803
Wildlife Services	1,417,400	1,417,400		1,417,400
Crop Harmonization Board	75,000	75,000		75,000
Accrued leave payments		237,295	(237,295)	
Total all funds	\$24,721,612	\$24,216,722	\$1,269,102	\$25,485,824
Less estimated income	15,209,546	15,024,394	821,685	15,846,079
General fund	\$9,512,066	\$9,192,328	\$447,417	\$9,639,745
FTE	77.00	77.00	0.00	77.00

Department 602 - Department of Agriculture - Detail of Senate Changes

	Restores Executive Compensation Package¹	Removes Separate Line Item for Accrued Leave Payments²	Restores Funding for Centennial Farms Program Grant³	Adds Funding for Information Technology Desktop Support⁴	Expands Mediation Services Program⁵	Adds Funding for Livestock Auction Market News Reporting⁶
Salaries and wages	451,102	211,320				
Operating expenses				48,000	50,000	15,000
Capital assets						
Grants			80,000			
State Board of Animal Health		25,975				
Wildlife Services						
Crop Harmonization Board						
Accrued leave payments		(237,295)				
Total all funds	\$451,102	\$0	\$80,000	\$48,000	\$50,000	\$15,000
Less estimated income	196,685	0	0	0	0	0
General fund	\$254,417	\$0	\$80,000	\$48,000	\$50,000	\$15,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Increases Federal Funds Authority for Specialty Crop Grants⁷	Total Senate Changes
Salaries and wages		662,422
Operating expenses		113,000
Capital assets		
Grants	625,000	705,000
State Board of Animal Health		25,975
Wildlife Services		
Crop Harmonization Board		
Accrued leave payments		(237,295)
Total all funds	\$625,000	\$1,269,102
Less estimated income	625,000	821,685
General fund	\$0	\$447,417
FTE	0.00	0.00

¹ Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

² The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

³ Funding added in the executive budget recommendation and removed by the House for a grant to the Centennial Farms program is restored as one-time funding.

⁴ Funding for information technology desktop support services is increased by \$48,000 to provide total increased funding of \$96,000 as compared to 2011-13 biennium appropriations.

⁵ Funding is added to expand the mediation services program to address mediation issues arising from energy development.

⁶ Funding from the general fund is added for livestock auction market news reporting to replace estimated decreases in federal funds.

⁷ Other funds authority for specialty crops grants is increased by \$625,000 to reflect anticipated federal funds to be received for the program.

This amendment also:

- Adjusts Section 3 of the bill regarding the amount of funding appropriated from the environment and rangeland protection fund.
- Adjusts Section 7 of the bill to provide 4 percent annual salary increases for the Agriculture Commissioner, the same as the executive budget recommendation. The House provided 3 percent annual increases.
- Amends Section 8 of the bill to deposit all commercial feed inspection, licensing, and registration fees in the environment and rangeland protection fund rather than just the first \$485,000. Total fee revenue is estimated to be \$970,000 during the 2013-15 biennium.
- Adds a section to require the Agriculture Commissioner to terminate an office space lease off of the Capitol grounds if additional office space is provided to the Department of Agriculture on the Capitol grounds.

House Bill No. 1009 - Department of Agriculture - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$11,258,319	\$10,622,109	\$239,086	\$10,861,195	\$11,284,531	(\$423,336)
Operating expenses	5,772,262	5,772,262	113,000	5,885,262	5,885,262	
Capital assets	12,000	12,000		12,000	12,000	
Grants	4,050,828	3,970,828	625,000	4,595,828	4,675,828	(80,000)
State Board of Animal Health	2,135,803	2,109,828		2,109,828	2,135,803	(25,975)
Wildlife Services	1,417,400	1,417,400		1,417,400	1,417,400	
Crop Harmonization Board	75,000	75,000		75,000	75,000	
Accrued leave payments		237,295		237,295		237,295
Total all funds	<u>\$24,721,612</u>	<u>\$24,216,722</u>	<u>\$977,086</u>	<u>\$25,193,808</u>	<u>\$25,485,824</u>	<u>(\$292,016)</u>
Less estimated income	<u>15,209,546</u>	<u>15,024,394</u>	<u>730,197</u>	<u>15,754,591</u>	<u>15,846,079</u>	<u>(91,488)</u>
General fund	<u>\$9,512,066</u>	<u>\$9,192,328</u>	<u>\$246,889</u>	<u>\$9,439,217</u>	<u>\$9,639,745</u>	<u>(\$200,528)</u>
FTE	77.00	77.00	0.00	77.00	77.00	0.00

Department 602 - Department of Agriculture - Detail of Conference Committee Changes

	Removes House Changes to Executive Compensation Package¹	Adjusts State Employee Compensation and Benefits Package²	Adds Funding for Information Technology Desktop Support³	Expands Mediation Services Program⁴	Adds Funding for Livestock Auction Market News Reporting⁵	Increases Federal Funds Authority for Specialty Crop Grants⁶
Salaries and wages	451,102	(212,016)				
Operating expenses			48,000	50,000	15,000	
Capital assets						
Grants						625,000
State Board of Animal Health						
Wildlife Services						
Crop Harmonization Board						
Accrued leave payments						
Total all funds	\$451,102	(\$212,016)	\$48,000	\$50,000	\$15,000	\$625,000
Less estimated income	196,685	(91,488)	0	0	0	625,000
General fund	\$254,417	(\$120,528)	\$48,000	\$50,000	\$15,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total Conference Committee Changes
Salaries and wages	239,086
Operating expenses	113,000
Capital assets	
Grants	625,000
State Board of Animal Health	
Wildlife Services	
Crop Harmonization Board	
Accrued leave payments	
Total all funds	\$977,086
Less estimated income	730,197
General fund	\$246,889
FTE	0.00

¹ Changes made by the House to the executive compensation package are removed.

² This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

³ Funding for information technology desktop support services is increased by \$48,000 to provide total increased funding of \$96,000 as compared to 2011-13 biennium appropriations. The Senate also added this funding.

⁴ Funding of \$50,000 is added to expand the mediation services program to address mediation issues arising from energy development. The Senate also added this funding.

⁵ Funding from the general fund is added for livestock auction market news reporting to replace estimated decreases in federal funds. The Senate also added this funding.

⁶ Other funds authority for specialty crop grants is increased by \$625,000 to reflect anticipated federal funds to be received for the program.

This amendment also:

- Adjusts Section 3 of the bill regarding the amount of funding appropriated from the environment and rangeland protection fund.
- Adjusts Section 7 of the bill to provide a 4 percent salary increase on July 1, 2013, and a 3 percent salary increase on July 1, 2014, for the Agriculture Commissioner. The House provided 3 percent annual salary increases and the Senate provided 4 percent annual salary increases.
- Amends Section 8 of the bill to deposit the first \$727,500 of commercial feed inspection, licensing, and registration fees in the environment and rangeland protection fund rather than all fees as provided in the Senate version. The House provided for the first \$485,000 of fee revenue to be deposited in the fund. Total fee revenue is estimated to be \$970,000 during the 2013-15 biennium.
- Adds a section to require the Agriculture Commissioner to provide a report to the Appropriations Committees of the 64th Legislative Assembly regarding the activities of the North Dakota Mediation Service.